tion of the persons eligible for such appointment and completion of various other formalities. Government have already initiated necessary steps to fill up the vacancies.

World bank recommendation on rural banking

1067. SHRI KAMAL MORARKA: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has made several recommendations to Government for consolidating the rural banking system including a call for commercialisation of banking for medium and large-scale farmers; and

(b) if so, what is Government's reaction to these recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes Sir.

(b) Government had initiated the service Area Approach with effect from April, 1989 to consolidate and strengthen the rural credit system. This approach has been adopted for improving the quality of rural credit, ensuring comprehensive credit planning, close monitoring of the end use of funds. This will also ensure better management efficient use of credit, increasingly targeted to weaker groups.

Long term fiscal policy

1068. SHRI KAMAL MORARKA: Will the Minister of Finance be pleased to state:

(a) whether Government are working out a long term fiscal policy; and

(b) if so, what are the main features of the proposed policy and how it differs from the earlier fiscal policy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) There is no proposal at present for announcing a long term fiscal policy;

(b) Does not arise.

Zero-Based Budgeting

1069. SHRI KAMAL MORARKA: Will the Minister of FINANCE be pleased to state:

(a) whether the concept of zero-based budgeting tried some years ago has failed to take off;

(b) if so, the details thereof; and

(c) whether Government proposes to review the concept in view of the need to control the non-plan expenditure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE SHRI SHANTARAM POTDUKHE): (a) to (c) Zero-Based Budgeting in its strict technical application has not been very successful. However, the principle behind Zero-Based Budgeting which is a thorough review of all on-going schemes and their prioritisation to enable decisions on reduction or elimination of low priority activities continues to be valid. The decision to bring about a progressive reduction in Government's fiscal deficit will involve, among other things, the use of Zero Based Budgeting approach.

Utilisation of external aid

1070. SHRI KAMAL MORARKA: Will the Minister of FINANCE be pleased to state:

(a) what has been the utilisation of external aid, plan-wise;

(b) whether it is a fact that utilisation of external aid dropped considerably by the end of the Seventh Five Year Plan period *i.e.* during the year 1989-90; and

(c) if so, what steps Government contemplate to make best use of external aid?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Utilisation

of external aid plan-wise is given below:—

	(Rupees Crores)
First Five Year Plan	191.76
Second Five Year Plan	1346.96
Third Five Year Plan	2879.75
Fourth Five Year Plan	3292.74
Fifth Five Year Plan	5498.78
Sixth Five Year Plan	10493.67
Seventh Five Year Plan	21571.62

(b) No, Sir.

(c) Does not arise.

Deficit Financing estimates for Five Year Plans

1071. SHRI KAMAL MORARKA: Will the Minister of FINANCE be pleased to state:

(a) the deficit fiancing estimated at the beginning of each five year plan and the actual deficit financing;

(b) the deficit financing estimates and actuals during 1989-90 and 1990-91; and

(c) what is the deficit financing estimated during the Eighth Five Year Plan period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) The information is given in the Table below:—

(Rs. crores)

Plan	Deficit financing estimated at the beginning of the Plan (for five years)	Actual Budget deficit at prices of the respective years
1st Five Year Plan (1951—56)	290	493
2nd Five Year Plan (1956—61)	1200	872
3rd Five Year Plan (1961—66)	550	508
4th Five Year Plan (1969—74)	850	2107
5th Five Year Plan (1974—79)	1354	2878
6th Five Year Plan (1980—85)	5000	10785
7th Five Year Plan (1985—90)	14000	35626

(b) The deficit financing estimated in the Budget for 1989-90 and 1990-91 and the actuals are given below:—

(Rs. crores)

	Budgetary deficit	
	Estimated	Actuals
1989-90	7337	10592
1990-91	7206	11420 (Provisional)

(c) The Eighth Five Year Plan is still under formulation.

Check on foreign exchange remittance scheme

1072. SHRI DHULESHWAR MEENA: Will the Minister of FINANCE be pleased to state:

(a) whether any appraisal has since been made of the working of the two amnesty schemes announced by the Government on October 1, 1991 to mop up unaccounted foreign currency, holdings by Indians particularly the Foreign Exchange remittance scheme by Non-resident Indians;